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DWS News

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UTAH'S EMPLOYMENT SITUATION: November 2003

The seasonally-adjusted unemployment rate for November remained virtually unchanged at 4.9 percent. Approximately 59,700 Utahns were unemployed in November 2003. Last November, 73,300 Utahns were unemployed, with the unemployment rate stood at 6.2 percent. Mark Knold, Senior Economist for the Department of Workforce Services (DWS) said, "There still isn't a significant enough forward movement in job growth to drive this rate down."

Utah's other primary indicator of current labor market conditions, the year-over change in the number of nonfarm wage and salaried jobs, is beginning to show some signs of life. Up 0.2 percent, or 2,500 jobs over November of last year, this is the first month this year that has recorded employment growth. Raylene Ireland, Executive Director of the Utah Department of Workforce Services noted, "Hopefully, this is the start of the trend we have been looking for. We need to see the employment situation in Utah go to the positive side of the ledger, and stay there."

At the national level both the unemployment rate, 5.9 percent, and the number of unemployed persons, 8.7 million, were essentially unchanged in November. The jobless rate is down slightly from midyear. In November, 2.0 million unemployed persons had been looking for work for 27 weeks or longer, about the same level as in October. They represented 23.7 percent of the total unemployed.

The nation's job picture showed no change after last month's slight improvement (not seasonally-adjusted). Employment is still down 0.2 percent compared against last year. That employment deficit stands at 230,000 jobs. The nation's employment picture has shown very little change across the past five months. Although the Gross Domestic Product has grown rapidly, it has yet to translate into employment gains. Nationally, in November, there were 131.2 million jobs.

It has been a long time since Utah has seen a positive employment picture. The last positive was September of 2001. Virtually all months since then have been negative. Recently, one or two months have been at the zero line, but November marks the first movement above that line. This could easily be an anomaly and we might slip back to that zero or declining situation, but

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that's not anticipated if you gauge it upon the strength of most of the nation's current economic indicators.

One of the most encouraging of the nation's economic indicators is an upward movement in the orders for manufactured goods. This industry has been in a multi-year slide, and was the first to emerge as one with excessive production capacity. But orders in this industry have now turned upward, and it is hoped that this will put a stop to the prolonged trend of declining manufacturing employment.

Three industrial sectors moved to the positive side of the ledger this month: professional and business services, information, and leisure and hospitality. Professional and business services is encouraging for two reasons. First, there are many well-paying, knowledge-based occupations found within this classification. For this reason, it is a preferred growth area. Its higher monetary rewards offer more purchasing power to more Utah citizens. The second reason is that the temporary help workers are also found here. This is one of the few exceptions within this industry that is not characterized with high pay, but it is a good barometer for the early signs of an economic expansion. One of the first "response" areas within a newly-expanding economy is temporary help. Many employers use this as their first option to meet the newfound demand for their products. Later down the road these can often translate into permanent hirings, but for now, a rise in temporary help is an encouraging sign.

A return of the information sector to a positive role is also looked upon as an encouraging barometer. Data processing, web-related activities, and telecommunications are some industries found within this sector. These were some of the hard-hit, overbuilt industries that played a key role in moving the entire U.S. economy into a recession. To see this area on the rebound suggests this sector has shed or absorbed its excesses and is looking to return to an expansion mode — a role that this country needs from this sector.

We can also be encouraged by the leisure and hospitality industry showing year-over gains. Much of this is probably due to an early start to the ski season resulting from good early-season snowfall. Let's hope this early start provides the momentum necessary to help turn the traveler and recreator's eyes toward Utah this winter.

Education and health care continue to be the best employment growth areas in Utah, particularly health care. Labor shortages continue to exist in some health care occupations. Intermountain Health Care is scheduled to begin construction on its new hospital and health-care campus in Murray in 2004, and St. Mark's Hospital just announced it has purchased 40 acres in Draper to use for a future hospital and medical center. These type of activities should keep the health care industry vibrant in Utah.

Construction showed a strong employment decline this month, but it is based upon an anomaly more than a trend. Last year, the Kearns River pipeline expansion was running through the western part of the state, bringing in several hundred temporary workers. That really spiked up construction employment last October, November, and December. This construction decline should smooth itself out by January, when those temporary jobs will have faded from the year-ago scene.

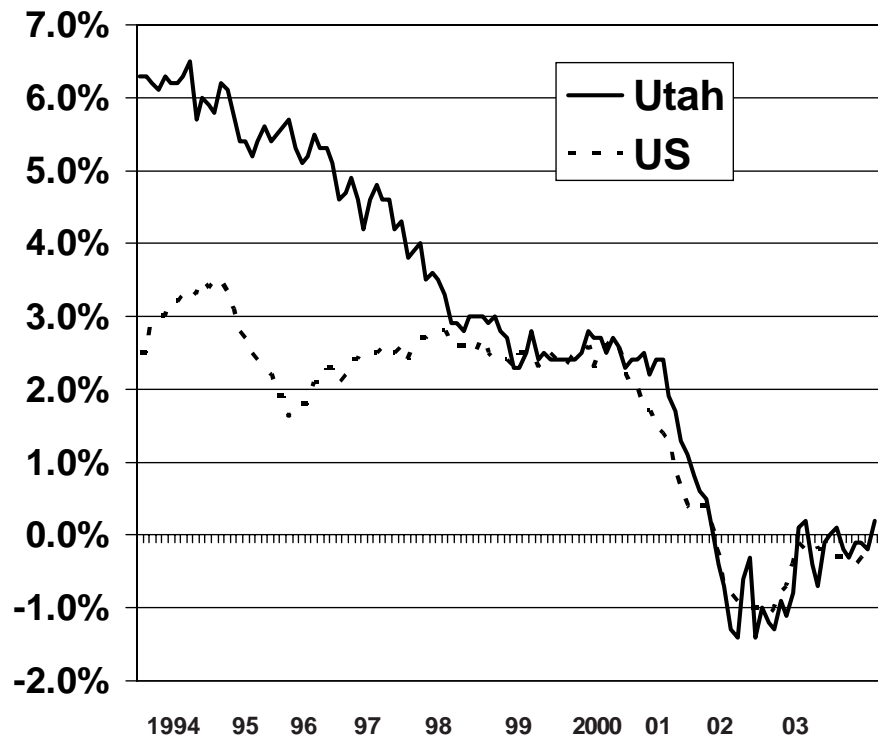
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Utah Nonagricultural Jobs by Industry and Components of the Labor Force

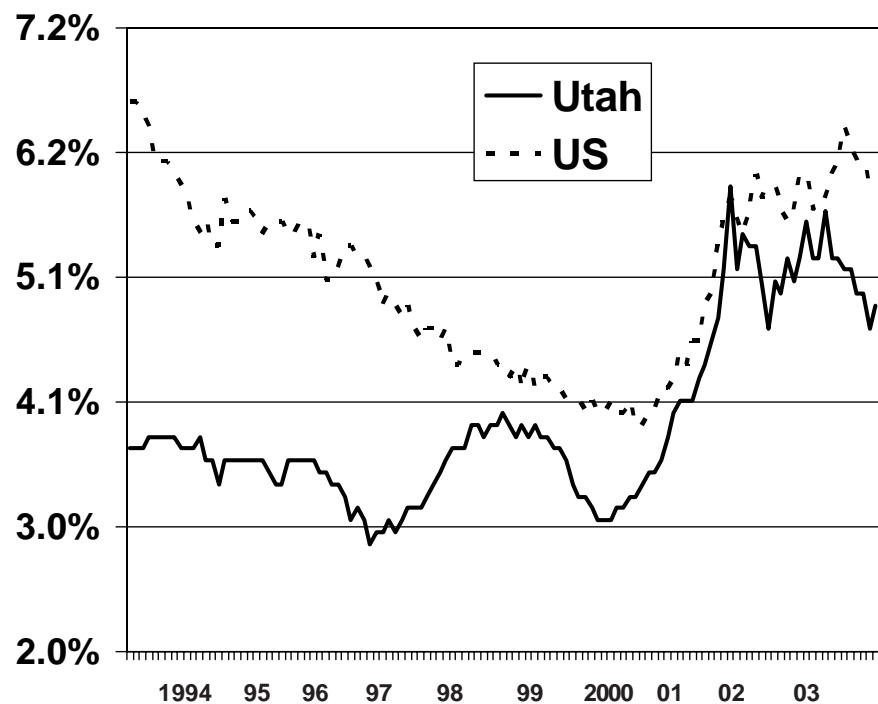
Numbers are in thousands and are not seasonally adjusted.	November(f) 2003	November 2002	Percentage Change	October(r) 2003	October 2002	Percentage Change
CIVILIAN LABOR FORCE	1,222.5	1,187.0	3.0	1,227.5	1,188.6	3.3
Employed	1,167.5	1,120.7	4.2	1,173.5	1,120.4	4.7
Unemployed	55.0	66.2	-16.9	54.1	68.1	-20.6
Unemployment Rate	4.5	5.6		4.4	5.7	
NONAGRICULTURAL EMPLOYMENT	1,087.9	1,085.4	0.2	1,081.9	1,081.6	0.0
GOODS PRODUCING	187.3	190.8	-1.8	188.2	191.9	-1.9
Natural Resources, and Mining	6.9	7.1	-2.8	6.9	7.1	-2.8
Construction	68.2	70.2	-2.8	69.2	71.1	-2.7
Construction of Buildings	14.9	15.2	-2.0	15.1	15.2	-0.7
Specialty Trade Contractors	45.4	45.1	0.7	45.8	45.6	0.4
Manufacturing	112.2	113.5	-1.1	112.1	113.7	-1.4
Durable Goods	73.7	75.2	-2.0	73.8	75.8	-2.6
Primary and Fabricated Metals	13.7	14.0	-2.1	13.6	14.2	-4.2
Computer and Electronic Products	11.2	11.4	-1.8	11.2	11.6	-3.4
Transportation and Equipment Manufacturing	13.0	13.3	-2.3	13.0	13.3	-2.3
Non-Durable Goods	38.5	38.2	0.8	38.3	37.9	1.1
Food Manufacturing	14.3	14.0	2.1	14.2	13.8	2.9
Printing and Related Support Activities	6.8	6.8	0.0	6.7	6.8	-1.5
SERVICES PROVIDING	900.6	894.6	0.7	893.7	889.7	0.4
Trade, Transportation, and Utilities	220.5	221.0	-0.2	215.4	217.0	-0.7
Wholesale Trade	40.5	40.7	-0.5	40.6	40.7	-0.2
Retail Trade	135.2	134.9	0.2	130.0	130.8	-0.6
Motor Vehicle and Parts Dealers	16.1	16.3	-1.2	16.2	16.5	-1.8
Food and Beverage Stores	22.2	22.4	-0.9	22.0	22.5	-2.2
General Merchandise Stores	27.4	27.1	1.1	25.0	24.8	0.8
Transportation and Utilities	44.8	45.4	-1.3	44.8	45.5	-1.5
Utilities	3.9	4.0	-2.5	3.9	4.0	-2.5
Transportation & Warehousing	40.9	41.3	-1.0	40.9	41.4	-1.2
Air Transportation	6.7	7.2	-6.9	6.8	7.2	-5.6
Truck Transportation	16.8	16.6	1.2	16.8	16.6	1.2
Information	31.0	30.8	0.6	30.6	30.5	0.3
Publishing Industries	8.8	8.6	2.3	8.6	8.7	-1.1
Motion Picture and Sound Recording	5.1	5.2	-1.9	4.9	5.0	-2.0
Telecommunications	5.4	5.3	1.9	5.4	5.4	0.0
Internet Service Providers	7.1	7.0	1.4	7.0	6.9	1.4
Financial Activities	64.4	63.7	1.1	64.3	63.6	1.1
Finance and Insurance	49.3	49.0	0.6	49.4	49.0	0.8
Real Estate and Rental and Leasing	15.1	14.8	2.0	14.9	14.6	2.1
Professional and Business Services	133.1	132.9	0.2	132.9	132.8	0.1
Professional, Scientific, and Technical Services	50.1	49.7	0.8	49.7	49.4	0.6
Architectural, Engineering, and Related	9.7	9.5	2.1	9.6	9.5	1.1
Computer Systems Design and Related	10.6	10.3	2.9	10.7	10.4	2.9
Management of Companies and Enterprises	21.1	21.2	-0.5	21.0	21.0	0.0
Administration & Support						
& Waste Management & Remediation	61.9	62.0	-0.2	62.2	62.4	-0.3
Employment Services	19.4	19.0	2.1	19.0	18.8	1.1
Business Support Services	16.1	15.8	1.9	15.8	15.8	0.0
Education and Health Services	121.2	117.6	3.1	121.0	117.3	3.2
Educational Services	27.7	27.2	1.8	28.1	27.4	2.6
Health Services and Social Assistance	93.5	90.4	3.4	92.9	89.9	3.3
Ambulatory Health Care Services	34.8	33.7	3.3	34.6	33.5	3.3
Hospitals	27.9	27.3	2.2	27.9	27.2	2.6
Nursing and Residential Care Facilities	17.6	16.7	5.4	17.4	16.6	4.8
Social Assistance	13.2	12.7	3.9	13.0	12.6	3.2
Leisure and Hospitality	96.3	96.0	0.3	97.0	96.8	0.2
Arts, Entertainment, and Recreation	14.5	14.3	1.4	14.6	14.5	0.7
Accommodation and Food Services	81.8	81.7	0.1	82.4	82.3	0.1
Accommodation	15.3	15.7	-2.5	15.9	16	-0.6
Food Services and Drinking Places	66.5	66	0.8	66.5	66.3	0.3
Other Services	32.8	33.0	-0.6	32.5	32.7	-0.6
Government	201.3	199.6	0.9	200.0	199.0	0.5
Federal Government	35.8	36	-0.6	36.1	36.5	-1.1
Federal Defense	15.7	15.7	0.0	16	16.1	-0.6
Other Federal Government	20.1	20.3	-1.0	20.1	20.4	-1.5
State Government	61.2	61.0	0.3	61	60.8	0.3
State Schools	33.3	33.1	0.6	33	32.8	0.6
Other State Government	27.9	27.9	0.0	28	28	0.0
Local Government	104.3	102.6	1.7	102.9	101.7	1.2
Local Education	62.2	60.9	2.1	61.6	59.5	3.5
Other Local Government	42.1	41.7	1.0	41.3	42.2	-2.1

Source: Utah Department of Workforce Services f = forecast r = revised

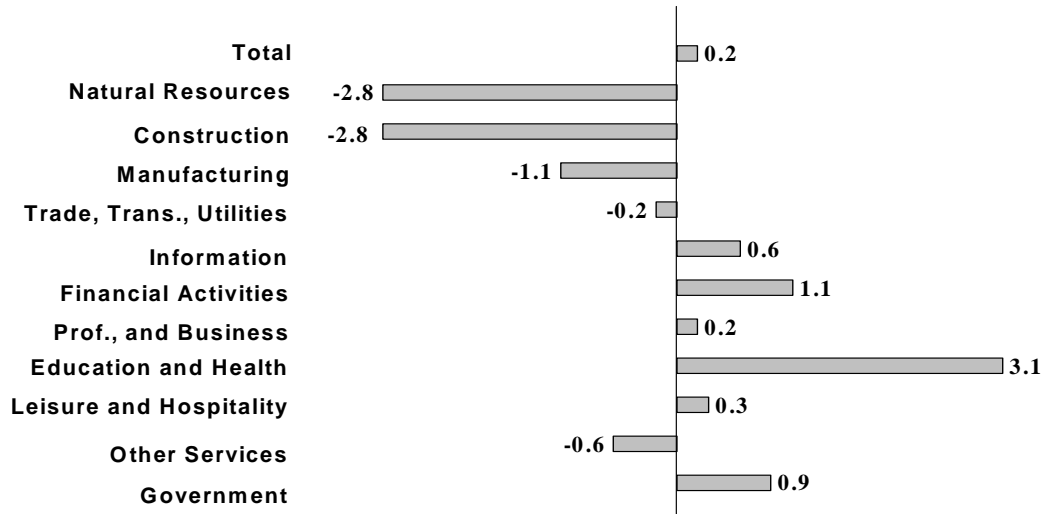
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

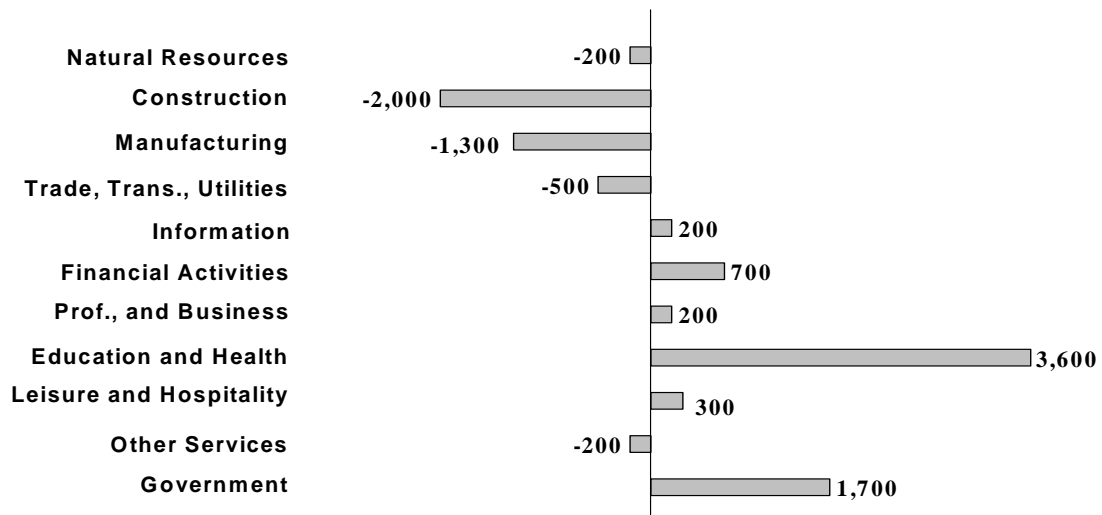


Utah Nonfarm Job Growth (Percent Change) November 2003 – 2002



Source: Utah Department of Workforce Services

Utah Nonfarm Job Growth (Numeric Change) November 2003 – 2002



Source: Utah Department of Workforce Services

Seasonally Adjusted Unemployment Rates

	November 2003 (f)	October 2003 (p)	September 2003 (r)	November 2002 (r)
State Total	4.9	4.7	5.1	6.2
Bear River	3.8	3.6	4.0	4.8
Box Elder	5.4	5.5	6.0	6.3
Cache	3.2	3.0	3.3	4.2
Rich	3.5	3.3	3.6	4.7
Wasatch Front	5.0	4.8	5.2	6.1
North	5.1	4.8	5.3	5.7
Davis	4.7	4.4	4.7	5.2
Morgan	3.9	3.9	3.3	5.2
Weber	5.5	5.4	6.1	6.4
South	5.0	4.8	5.2	6.3
Salt Lake	4.9	4.7	5.1	6.2
Tooele	7.5	7.2	8.4	9.8
Mountainland	4.3	4.0	4.3	5.6
Summit	6.5	6.6	7.0	8.7
Utah	4.0	3.7	4.0	5.2
Wasatch	6.6	5.9	6.0	7.5
Central	5.5	5.2	5.6	5.9
Juab	6.0	5.1	6.2	6.9
Millard	5.1	4.4	4.9	4.5
Piute	4.3	4.5	5.3	6.0
Sanpete	6.3	6.3	6.3	6.8
Sevier	4.6	4.3	4.9	5.1
Wayne	6.6	6.3	7.0	7.0
Southwestern	4.1	3.9	4.2	5.0
Beaver	4.9	4.2	4.9	5.1
Garfield	8.6	8.3	9.1	10.1
Iron	4.4	4.2	4.4	5.3
Kane	2.2	3.7	3.6	3.4
Washington	3.8	3.5	3.8	4.7
Uintah Basin	5.9	5.6	6.2	7.4
Daggett	2.8	3.2	5.0	6.3
Duchesne	7.4	6.9	7.5	8.9
Uintah	5.4	5.0	5.6	6.6
Southeastern	7.7	7.4	7.9	8.6
Carbon	6.9	6.3	7.2	7.9
Emery	10.3	9.4	9.2	10.0
Grand	6.3	6.8	6.8	7.6
San Juan	8.6	8.9	9.5	9.9
Salt Lake-Ogden MSA	5.0	4.7	5.2	6.1
United States	5.9	6.0	6.1	6.0

f=forecast p=preliminary r=revised

Source: Utah Department of Workforce Services, Workforce Information